Decision No. 28449

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
THE RIVER LINES (The California
Transportation Company, Sacramento
Navigation Company and Fay Transportation)
Company) for a certificate of public
convenience and necessity authorizing
the transportation of property by vessel
on the inland waters of the State of
California between Mare Island and all
landings upstream therefrom, including
all landings on the Sacramento and San
Joaquin Rivers and their respective
tributaries, to the head of navigation
thereof.



Application No.19013

Mc Cutchen, Olney, Mannon and Greene, Attorneys, by F. Wielke, for applicant.

HARRIS, COMMISSIONER -

## OPINION

By this application the Commission is asked to grant to The River Lines, (comprising the California Transportation Company, Sacramento Navigation Company and Fay Transportation Company), a certificate of public convenience and necessity authorizing the transportation of freight by vessels upon the inland waters of the State of California between Mare Island on the one hand and all landings upstream therefrom, including all landings on the Sacramento and San Joaquin rivers and their respective tributaries, to the head of navigation thereof, respectively, on the other hand.

A public hearing was held at San Francisco on October 19, 1933, and the matter submitted.

A number of shipper witnesses testified to the convenience and necessity of the proposed service.

Applicant is now operating vessels for the transportation of freight between other San Erancisco Bay points and river landings upstream from Mare Island and will use the equipment for the proposed service now used by it between these other

points and will render a service similar in all respects to the service now rendered by it between said other points.

The rates to be charged for the proposed service will be the rates applying to or from Port Costa, California, amendments to the tariff to this end and to The River Lines Official Geographical List of Landings to include Mare Island, will be made.

The application should be granted.

The following form of order is recommended:

## ORDER

The River Lines (comprising The California Transportation Company, Secremento Navigation Company and Fay Transportation Company) having made application for a certificate of public converience and necessity authorizing the transportation of freight by vessel on the inland waters as hereinbefore set forth,

The Railroad Commission of the State of California hereby declares that public convenience and necessity require the transportation of freight by vessels between Mare Island on the one hand and all landings upstream therefrom, including all landings on the Sacramento and San Joaquin rivers and their respective tributaries, to the head of navigation thereof, respectively, on the other hand.

IT IS HEREBY OPDERED that a certificate of public convenience and necessity therefor be and it is hereby granted to The River Lines (comprising The California Transportation Company, Sacramento Navigation Company and Fay Transportation Company) on the following conditions:

- (1) The River Lines is hereby placed on notice that "operating rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the State which is not in any respect limited to the number of rights which may be given.
- (2) The rights and privileges herein authorized may not be discontinued, sold, leased, transferred or assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.
- (3) No vessel may be operated under the certificate herein granted unless such vessel is owned or leased by applicant, or is operated under an arrangement satisfactory to the Railroad Commission of the State of California.
- (4) Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen days from the date hereof.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 23/4 day of October 1933.